

## NHS GREATER GLASGOW AND CLYDE

**Minutes of the Meeting of the  
Audit and Risk Committee  
held on Tuesday, 18 June at 10am  
via Microsoft Teams**

**PRESENT**

Ms Michelle Wailes (in the Chair)

Mr Alan Cowan	Ms Margaret Kerr
Ms Jacqueline Forbes	Ms Rona Sweeney
Mr Colin Neil	Mr Charles Vincent

**IN ATTENDANCE**

Ms Kim Donald	Corporate Services Manager (Governance) - Minute
Mr William Edwards	Chief Operating Officer
Ms Jane Grant	Chief Executive
Ms Katrina Heenan	Chief Risk Officer
Ms Fiona McEwan	Assistant Director of Finance
Mr Stephen Reid	External Auditor, Ernst and Young
Mr Michael Sheils	Head of Financial Services
Prof Angela Wallace	Nurse Director
Mr Scott Wilson	Senior Business and Delivery Manager
Ms Elaine Vanhegan	Director of Corporate Services and Governance
Ms Rachael Weir	Internal Auditor, Azets
Ms Rachel Wynne	External Auditor, Ernst and Young
Ms Elizabeth Young	Internal Auditor, Azets
Mr John Thomson	Assistant Director of Finance
Dr Lesley Thomson KC	NHSGGC Chair

			<b>ACTION BY</b>
<b>16.</b>	<b>Welcome and Apologies</b>		
	The Chair welcomed those present. Apologies were noted on behalf of Cllr Michelle McGinty. <b>NOTED</b>		
<b>17.</b>	<b>Declaration(s) of Interest(s)</b>		
	The Chair invited members to declare any interests in any of the matters being discussed. There were no declarations of interest.		

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			<b>ACTION BY</b>
	<b><u>NOTED</u></b>		
<b>18.</b>	<b>Minutes of Previous Meeting</b>		
	The Committee considered the minute of the Audit and Risk Committee meeting held on 4 June 2024 [Paper No. ARC(M)24/02] and were content to approve the minute as a complete and accurate record.		
	<b><u>APPROVED</u></b>		
<b>19.</b>	<b>Matters Arising</b>		
	<b>a) Rolling Action List</b>		
	The Committee considered the Rolling Action List [Paper No. 24/24] and were content to accept the recommendation that 2 items were closed.		
	<u>Minute No. 65 - External Audit Update</u> Mr Neil explained that the inflationary element had been agreed nationally at 6% and had been applied to all audits across NHS Scotland. The Committee were content to close the action.		
	There were no other matters arising noted.		
	<b><u>APPROVED</u></b>		
<b>20.</b>	<b>Update from the Healthcare Charity Committee</b>		
	Mr Charles Vincent, Chair of the Healthcare Charity Committee (HCC), explained that the next meeting of the HCC was scheduled for 19 <sup>th</sup> June 2024 where the accounts would be considered for approval and sign off. He assured the Committee that no concerns had been raised, that the accounts had been through due process and audited by BDO.		
	The Committee were assured by the update.		
	<b><u>NOTED</u></b>		
<b>21.</b>	<b>Internal Audit Reports</b>		
	The Committee considered the paper 'Internal Audit Reports [Paper No. 24/25] presented by Ms Elizabeth Young, Azets.		
	a) <u>Discharge Planning</u> and b) <u>Hospital Discharges</u> The Committee acknowledged that the audit was still in draft and management comments were being collated. Ms Young		

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			<b>ACTION BY</b>
	<p>recognized that the delayed discharge process was challenging, with a multiagency approach meaning the landscape was often complex. She assured the Committee that there was good engagement from the management team and that there was a lot of work ongoing with the view to improving performance.</p> <p>Ms Young explained that there was work underway with testing areas of non-compliance, and commented on the consistency and timeliness of referrals to the community being an area under consideration.</p> <p>The Committee acknowledged that it was challenging to do both audits together, and noted an action plan would be developed when the audits were completed.</p> <p>The Committee noted a theme across both reports highlighting the need to update the Discharge Policy and queried the impact that this would have. Ms Rodgers explained the policy required to be updated to reflect the work already underway in managing delayed discharges.</p> <p>With regards to benchmarking, Mr Neil highlighted that national meetings were held and opportunities had been taken to look internally, and externally, at areas of best practice. Mrs Grant noted that the Permanent Secretary had visited West Dunbartonshire HSCP and was impressed by the work being done.</p> <p>C) <u>Annual Report</u> Ms Young provided a brief summary on the key themes across the year noting their opinion that NHSGGC has a framework of governance and internal control that provides reasonable assurance regarding the effective and efficient achievement of objectives.</p> <p>The Committee were assured by the report.</p> <p><b><u>ASSURED</u></b></p>		
<b>22.</b>	<b>Internal Control and Draft Governance Statement</b>		
	<p>The Committee considered the paper 'Internal Control and Draft Governance Statement' [Paper No. 24/26] presented by Mr Colin Neil, Director of Finance.</p> <p>Mr Neil presented the draft governance statement noting it had initially been presented at the 4<sup>th</sup> June meeting. Mr Neil highlighted that the statement had been amended to reflect the</p>		

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			<b>ACTION BY</b>
	<p>service audits from NSS, EY and Azets. He reflected that there had been a satisfactory system of internal control in place within NHSGGC throughout 2023/24.</p> <p>It was agreed that the NSS audits would be circulated to the Committee for their assurance.</p> <p>The Committee were content to approve the paper subject to the following amendment:</p> <p>Wording would be updated to reflect that the Board Non-Executive Directors consider their personal development needs within the appraisal process.</p> <p><b><u>APPROVED</u></b></p>		<p>Mr Thomson</p> <p>Mr Thomson</p>
<b>23.</b>	<b>Annual Audit and Consolidated Accounts for 2023/24</b>		
	<p>The Committee considered the paper ‘Annual Audit and Consolidated Accounts for 2023/24’ [Paper No. 24/27] presented by Mr Colin Neil, Director of Finance and Mr Stephen Reid, EY.</p> <p>Mr Neil reported that the Board had achieved the 3 key financial targets including balance in revenue, capital resource and cash. He also highlighted that the audit incorporated upcoming challenges which had also been reported in the 3 year financial plan which was approved by NHSGGC in April 2024. Mr Neil noted the difficulties with regards to receiving data from the SPPA, however, this had been raised at a national level and resulted in an amendment to the FReM which had been circulated to Health Boards for consideration.</p> <p>Mr Reid summarised the audit, noting that they intend to issue an unqualified opinion whilst recognising the scale of the challenge faced by the NHS in the coming years with regards to savings, and the wider impact that this would have across areas like property, capital and remuneration. He advised that these risks had been incorporated into the audit via a RAG status.</p> <p>With regards to the recommendations, Mr Reid noted that there were 7 new recommendations from the 2023/24 audit acknowledging the financial challenge, changes to senior leadership and the Inquiries.</p> <p>The Committee had a lengthy discussion with regards to the content of the audit, and raised concerns about the use of RAG and the possible misrepresentation within the Health Board to manage risks. It was also noted that NHSGGC was not entering brokerage, which demonstrated financial sustainability for</p>		

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			<b>ACTION BY</b>
	<p>2023/24, though it was acknowledged that the risk score had been increased to indicate recurring deficit that was in place.</p> <p>With regards to Leadership and Governance, concerns were raised with regards to the RAG applied to the changeover of staff, noting the importance of separating the pressures and scores of the risks applied. Mr Reid explained that the headings were standard from Audit Scotland but recognised that the narrative could be updated to provide a more detailed picture of mitigations in place.</p> <p>The Committee were content to approve the paper subject to the following:</p> <ul style="list-style-type: none"> <li>• Review of the narrative of the audit</li> <li>• Correct the detail linked to Non-Execute Board Member numbers and salary</li> <li>• Correct the cancer target from 90% to 95%</li> </ul> <p><b><u>APPROVED</u></b></p>		EY
<b>24.</b>	<b>External Audit Action Tracker</b>		
	<p>The Committee considered the paper ‘External Audit Action Tracker’ [Paper 24/28] presented by Mr Colin Neil, Director of Finance.</p> <p>Mr Neil advised the Committee that the action tracker had been updated to reflect the amendments to the audit report and will be closely monitored by the management team moving forward.</p> <p>The Committee were assured by the report provided.</p> <p><b><u>ASSURED</u></b></p>		
<b>25.</b>	<b>Best Value Statement</b>		
	<p>The Committee considered the paper ‘Best Value Statement’ [Paper 24/29] presented by Ms Elaine Vanhegan, Director of Corporate Services and Governance.</p> <p>Ms Vanhegan explained that the statement had been aligned to the work undertaken against the Blueprint for Good Governance (2<sup>nd</sup> edition) with key issues linked to our core approach.</p> <p>It was agreed that the statement would be updated to incorporate partnership working with the third sector.</p>		Ms Vanhegan

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			<b>ACTION BY</b>
	Subject to this amendment, the Committee were content to approve the statement.		
	<b><u>APPROVED</u></b>		
<b>26.</b>	<b>Annual Review of Governance – Operational Requirements</b>		
	<p>The Committee considered the paper ‘Annual Review of Governance – Operational Requirements’ [Paper No. 24/30] presented by Ms Elaine Vanhegan, Director of Corporate Services and Governance.</p> <p>Ms Vanhegan explained that the document encompassed a number of aspects relating to the governance framework including the Scheme of Delegation and Standing Financial Instructions. She highlighted that the Standards of Business Conduct for Staff was a new insertion had been approved through partnership and Corporate Management Team with work underway to support further implementation moving forward.</p> <p>The Committee were content to approve the pack.</p> <p><b><u>APPROVED</u></b></p>		
<b>27.</b>	<b>Legal Update Annual Report</b>		
	<p>The Committee considered the paper ‘Legal Update Annual Report’ [Paper No. 24/31] presented by Ms Elaine Vanhegan, Director of Corporate Services and Governance.</p> <p>Ms Vanhegan explained that the number of claims settled through the year had remained static. She highlighted the additional work underway with regards to police investigations QUADRIC, KOPPER and CONRIG as well as the Hospital and Covid Inquiries.</p> <p>Ms Vanhegan noted that there had been an increase in the number of discretionary Fatal Accident Inquiries (FAIs) and the Board were working closely with Clinical Governance colleagues in this regard.</p> <p>Ms Vanhegan reinforced the importance of the Board supporting colleagues through the Inquiry, particularly those called to give evidence and assured the Committee that NHSGGC has a Witness Support team in place.</p> <p>It was agreed that future iterations of the report would include the name of the FAI, as this would already be in the public domain it was recognised this would not be a breach of confidentiality.</p>		Mr Paterson

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			<b>ACTION BY</b>
	The Committee were content to note the report.		
	<b><u>NOTED</u></b>		
<b>28.</b>	<b>Whistleblowing Quarter 4 and Annual Report</b>		
	<p>The Committee considered the paper ‘Whistleblowing Quarter 4 and Annual Report’ [Paper No. 24/32] presented by Ms Kim Donald, Corporate Services Manager - Governance.</p> <p>Ms Donald highlighted that the performance against Stage 1 cases remained at 100%, but Stage 2 performance remained challenging due to the complex nature of the cases received. Ms Donald also drew the Committees attention to a Stage 3 outcome noting the link to the INWO website had been included within the document for ease of reference.</p> <p>Ms Donald reported that work was underway with the upcoming Speak Up! Week and that she was working closely with HR colleagues in this regard.</p> <p>In response to a query regarding the limited detail aligned to a recommendation, Ms Donald explained that the Board had been criticised by the INWO previously for including too much detail which could be attributed to an individual or service.</p> <p>The Committee were content to note the report.</p> <p><b><u>NOTED</u></b></p>		
<b>29.</b>	<b>Freedom of Information Annual Report</b>		
	<p>The Committee considered the paper ‘Freedom of Information Annual Report’ [Paper No. 24/33] presented by Ms Elaine Vanhegan, Director of Corporate Services and Governance.</p> <p>Ms Vanhegan noted that there had been an 80% increase in the number of FOIs received which was causing a challenge with regards to complying with the timescale for responses. She noted that remedial action had been taken and resource had been increased within the team with a focus to reducing the backlog.</p> <p>Ms Vanhegan advised that as well as the increase in volume, there had been an increase in complexity and referenced the impact of the CASS report on the number of FOIs and enquiries.</p> <p>Mrs Grant highlighted that the Scottish Information Commissioner had escalated the Board from Level 1 to Level 3 as a result of our annual performance. It was agreed that the ARC would receive</p>		

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			<b>ACTION BY</b>
	<p>quarterly reports to provide oversight of the work underway to improve overall performance.</p> <p>The Committee were content to note the report.</p> <p><b>NOTED</b></p>		Mr Paterson
<b>30.</b>	<b>Information Governance Annual Report 2023/24</b>		
	<p>The Committee considered the paper ‘Information Governance Annual Report 2023/24’ [Paper No. 24/34] presented by Mr Colin Neil, Director of Finance.</p> <p>Mr Neil explained that the report provided an overview of the work carried out throughout the year, noting high levels of compliance with training modules and enhanced training sessions. Mr Neil reflected that there had been a high level of activity, with 12k requests received by the Information Governance team. He also noted 5 confidentiality breaches and 6 complaints, but the Data Protection Officer confirmed there had been no action against the Board as a result.</p> <p>The Committee were content to note the report.</p> <p><b>NOTED</b></p>		
<b>31.</b>	<b>Corporate Risk Register - New Corporate Governance Risk</b>		
	<p>The Committee considered the paper ‘Corporate Risk Register - New Corporate Governance Risk’ [Paper No. 24/35] presented by Mr Colin Neil, Director of Finance, and Ms Katrina Heenan, Chief Risk Officer.</p> <p>Ms Heenan highlighted that a new risk had been added to recognise the Inquiries, Police Investigations and FAIs – noting specifically the risk to capacity, wellbeing and public confidence. Ms Heenan confirmed the new risk would be monitored through the Finance Planning and Performance Committee.</p> <p>The Committee were content to approve the new risk.</p> <p><b>APPROVED</b></p>		
<b>32.</b>	<b>Closing Remarks and Key Messages for the Board</b>		
	<p>The Chair thanked those present for attending the meeting and for the interesting discussion.</p> <p><b>NOTED</b></p>		

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			<b>ACTION BY</b>
<b>33.</b>	<b>Date and Time of Next Scheduled Meeting</b>		
	The next meeting would be held on Tuesday 17 September 2024 at 9.30 am via MS Teams.		